

SENATE BILL REPORT

SB 5312

As of January 27, 2009

Title: An act relating to increasing the duty-related death benefit for public employees.

Brief Description: Increasing the duty-related death benefit for public employees.

Sponsors: Senators Delvin, Schoesler, Fraser and Kohl-Welles; by request of Select Committee on Pension Policy and LEOFF Plan 2 Retirement Board.

Brief History:

Committee Activity: Ways & Means: 1/26/09.

SENATE COMMITTEE ON WAYS & MEANS

Staff: Erik Sund (786-7454)

Background: Survivors of public employees who die as a result of injuries or occupational disease arising in the course of employment are eligible to receive a lump sum benefit of \$150,000. This benefit is available in the Public Employees', Teachers', School Employees', Public Safety Employees', Washington State Patrol, Law Enforcement Officers' and Fire Fighters', and Judicial Retirement Systems (PERS, TRS, SERS, PSERS, WSPRS, LEOFF, and JRS). The benefit is also available to survivors of members of the Volunteer Fire Fighters' and Reserve Officers' Relief and Pension System (VFFRORPS), members of the higher education retirement plans, and to state, school district, and higher education employees who are not members of a state retirement system. In the case of members who do not belong to a state retirement system, the \$150,000 death benefit is paid from the state General Fund.

In addition to the \$150,000 lump sum benefit, survivors of members of the state retirement systems are generally eligible for either a refund of the member's pension contributions, plus interest, or a retirement allowance. Survivors may also be eligible for a workers' compensation death benefit from the Department of Labor and Industries, a Social Security death benefit, and, in the case of public safety officers, a federal lump sum death benefit under the Public Safety Officers Benefit Act of 1973.

Summary of Bill: The \$150,000 lump sum death benefit payable in the various state retirement systems, the higher education retirement plans, and to state, school district, and

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higher education employees who do not belong to a state retirement system is increased to \$175,000.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

Effective Date: The bill contains an emergency clause and takes effect immediately.

Staff Summary of Public Testimony: PRO: The \$150,000 occupational death benefit was established in 1996. Since that time, the value of the benefit has eroded approximately 27 percent due to inflation. Increasing the benefit amount to \$175,000 will not restore all of the value lost since 1996; however, it will be a step in the right direction. It is important to remember that this is a payment made to a family due to the occupational death of a public employee.

Persons Testifying: PRO: Steve Nelsen, Law Enforcement Officers' and Fire Fighters' Plan 2 Retirement Board; Dick Warbrouck, Retired Fire Fighters of Washington.